

§ 1412.501

7 CFR Ch. XIV (1–1–04 Edition)

Subpart E—Financial Considerations Including Sharing Direct and Counter-Cyclical Payments

SOURCE: 67 FR 64751, Oct. 21, 2002, unless otherwise noted.

§ 1412.501 Limitation of direct and counter-cyclical payments.

(a) The sum total of all annual direct payment amounts shall not exceed the amounts specified in part 1400 of this chapter.

(b) The sum total of all annual counter-cyclical payment amounts shall not exceed the maximum amount in part 1400 of this chapter.

(c) The amount of 2002 direct and counter-cyclical payments for a farm shall not exceed the maximum amount that would have been paid based on the number of persons as determined in accordance with part 1400 of this chapter on the farm as of May 13, 2002.

(d) The provisions of part 1400 of this chapter apply to this part.

§ 1412.502 Direct payment provisions.

(a) For 2003 through 2007 contracts, a final direct payment shall be made to eligible producers on a farm enrolled in a contract with respect to covered commodities and peanuts for which payment yields and base acres are established on or after October 1 of the fiscal year following the fiscal year of the contract in which the direct payment was earned.

(b) For 2003 through 2007 contracts, at the option of the producer, 50 percent of the direct payment for the farm with respect to covered commodities and peanuts for which payment yields and base acres are established, shall be paid in any month from December through September of the fiscal year of the contract, as requested by the producer, as an advance direct payment. For any producer to receive an advance direct payment, all producers sharing in the direct payments for the farm must:

(1) Be in compliance with all requirements of the contract and the requirements in this part at the time of the advance payment; and

(2) Sign the contract designating payment shares and provide supporting

documentation as specified in part 12 of this title and parts 1400 and 1405 of this chapter, if applicable. If all producers on the farm have not signed the contract designating payment shares in accordance with this paragraph, then no producer shall be eligible for any payment for that farm for that contract.

(c) If a producer declines to accept, or is determined to be ineligible for all or any part of the producer's share of the direct payment computed for the farm in accordance with the provisions of this section:

(1) The payment or portions thereof shall not become available for any other producer; and

(2) The producer shall refund to CCC any amounts representing payments that exceed the payments determined by CCC to have been earned under the program authorized by this part. Part 1403 of this chapter shall be applicable to all unearned payments.

(d) The payment rates used to calculate direct payments with respect to covered commodities and peanuts on a farm enrolled in a contract shall be as follows:

- (1) Wheat—\$0.52/bu.
- (2) Corn—\$0.28/bu.
- (3) Grain sorghum—\$0.35/bu.
- (4) Barley—\$0.24/bu.
- (5) Oats—\$0.024/bu.
- (6) Upland cotton—\$0.0667/lb.
- (7) Rice—\$2.35/cwt.
- (8) Soybeans—\$0.44/bu.
- (9) Other oilseeds—\$0.0080/lb.
- (10) Peanuts—\$36.00/ton.

(e) For 2003 through 2007 contracts, subject to the limitation in accordance with § 1412.501 and part 1400 of this chapter, the final direct payment amount to be paid to the producers on a farm enrolled in a contract with respect to the covered commodities and peanuts for which payment yields and base acres are established shall be equal to the product of:

(1) The payment rate specified in paragraph (d) of this section, multiplied by

(2) The payment acres of the covered commodity and peanuts on the farm enrolled in a contract, minus any acre reduction in accordance with § 1412.407(g), multiplied by